

DEVELOPMENT SERVICES DEPARTMENT
HOUSING DIVISION
Telephone (909) 931-4146
Facsimile (909) 931-4139

February 1, 2016

# **RE: Rent Increase**

Dear Property Owner/Property Manager:

Pursuant to Ordinance No. 1557 Section 1, Part 14 of Chapter 5 of Article IV of the Upland Municipal Code 6803.05.03, property owners and/or property managers of Upland Mobile home parks are allowed to increase rent on the mobile home space by no more than 80% of the 2015 CPI preceding calendar year change in the Los Angeles Area. The Preceding calendar year change for the 2015 CPI in the Los Angeles Metropolitan area was 2.0%. Therefore, Eighty percent (80%) taken from the 2.0% calendar year change is **1.60%**.

If you have any questions concerning the rental increase please contact me at (909) 931-4146 Monday-Thursday from 8:00a.m. to 6:00p.m.

Sincerely,

Liz Chavez

Development Services Manager

Enclosure: BLS News Release Consumer Price Index - January 20,2016



# NEWS RELEASE



For Release: Wednesday, January 20, 2016

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WESTERN INFORMATION OFFICE: San Francisco, Calif.

Technical information: (415) 625-2270 • BLSinfoSF@bls.gov • www.bls.gov/regions/west

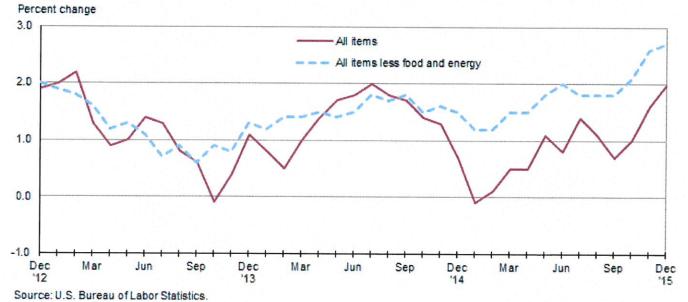
Media contact: (415) 625-2270

# Consumer Price Index, Los Angeles area — December 2015 Area prices were down 0.1 percent over the past month, up 2.0 percent from a year ago

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), inched down 0.1 percent in December, the U.S. Bureau of Labor Statistics reported today. (See <u>table A.</u>) Regional Commissioner Richard J. Holden noted that the December decrease was influenced by lower prices for food at home and apparel. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 2.0 percent. (See <u>chart 1</u> and <u>table A</u>.) Energy prices declined 3.0 percent, largely the result of a decrease in the price of electricity. The index for all items less food and energy increased 2.8 percent over the year. (See <u>table 1</u>.)

Chart 1. Over-the-year percent change in CPI-U, Los Angeles, December 2012-December 2015



#### Food

Food prices decreased 0.8 percent for the month of December. (See <u>table 1</u>.) Prices for food at home declined 1.6 percent, yet prices for food away from home inched up 0.2 percent for the same period.

Over the year, food prices rose 0.5 percent. Prices for food away from home increased 2.8 percent since a year ago, but prices for food at home decreased 1.1 percent.

## **Energy**

The energy index decreased 0.4 percent over the month. The decrease was mainly due to lower prices for electricity (-1.6 percent). Prices for gasoline decreased 0.7 percent, but prices for natural gas service advanced 4.4 percent for the same period.

Energy prices declined 3.0 percent over the year, largely due to lower prices for electricity (-6.0 percent). Prices paid for natural gas service decreased 7.2 percent and prices for gasoline decreased 0.4 percent, during the past year.

## All items less food and energy

The index for all items less food and energy was unchanged in December. Higher prices for household furnishings and operations (1.1 percent) and shelter (0.4 percent) were partially offset by lower prices for apparel (-3.7 percent) and other goods and services (-0.4 percent).

Over the year, the index for all items less food and energy increased 2.8 percent. Components contributing to the increase included medical care (4.4 percent) and recreation (4.3 percent). Partly offsetting the increases was a price decline in apparel (-0.3 percent).

Table A. Los Angeles-Riverside-Orange County CPI-U monthly and annual percent changes (not seasonally adjusted)

Month	2010		2011		2012		2013		2014		2015	
	Monthly	Annual										
January	0.4	1.8	0.9	1.8	0.8	2.1	0.8	2.0	0.5	0.8	-0.3	-0.1
February	0.0	1.4	0.5	2.3	0.5	2.1	0.7	2.2	0.5	0.5	0.7	0.1
March	0.4	1.9	1.1	3.0	1.0	2.0	0.1	1.3	0.6	1.0	1.0	0.5
April	0.2	1.9	0.5	3.3	0.0	1.5	-0.4	0.9	0.0	1.4	-0.1	0.5
May	0.2	1.8	0.0	3.1	0.1	1.6	0.1	1.0	0.4	1.7	1.0	1.1
June	-0.2	0.9	-0.4	2.9	-0.4	1.6	-0.1	1.4	0.1	1.8	-0.3	0.8
July	0.1	0.9	-0.4	2.4	-0.1	1.9	-0.1	1.3	0.1	2.0	0.7	1.4
August	0.2	0.8	0.2	2.4	0.6	2.3	0.1	0.8	-0.1	1.8	-0.3	1.1
September	-0.1	0.4	0.5	3.1	0.4	2.2	0.2	0.6	0.0	1.7	-0.4	0.7
October	0.3	0.7	0.0	2.8	0.8	3.0	0.1	-0.1	-0.1	1.4	0.2	1.0
November	-0.4	0.7	-0.1	3.0	-1.0	2.1	-0.5	0.4	-0.7	1.3	0.0	1.6
December	0.3	1.3	-0.5	2.2	-0.7	1.9	0.0	1.1	-0.5	0.7	-0.1	2.0

The January 2016 Consumer Price Index for the Los Angeles-Riverside-Orange County is scheduled to be released on February 19, 2016.

#### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at <a href="www.bls.gov/cpi">www.bls.gov/cpi</a> and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at <a href="www.bls.gov/opub/hom/homch17">www.bls.gov/opub/hom/homch17</a> a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The Los Angeles-Riverside-Orange County, CA. metropolitan area covered in this release is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties in the State of California.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted)

		Indexes		Percent change from-			
Item and Group	Oct. 2015	Nov. 2015	Dec. 2015	Dec. 2014	Oct. 2015	Nov. 2015	
Expenditure category							
All items	245.812	245.711	245.357	2.0	-0.2	-0.1	
All items (1967=100)	726.237	725.941	724.893	-	-		
Food and beverages	251.272	251.700	249.752	0.6	-0.6	-0.8	
Food	251.648	251.968	249.838	0.5	-0.7	-0.8	
Food at home	260.999	260.238	256.077	-1.1	-1.9	-1.6	
Food away from home	236.232	237.921	238.404	2.8	0.9	0.2	
Alcoholic beverages	231.621	233.316	233.690	1.3	0.9	0.2	
Housing	269.317	269.198	270.386	2.8	0.4	0.4	
Shelter	305.625	306.503	307.810	3.9	0.7	0.4	
Rent of primary residence (1)	320.343	321.865	323.270	4.2	0.9	0.4	
Owners' equiv. rent of residences (1) (2)	317.784	318.506	320.073	3.7	0.7	0.5	
Owners' equiv. rent of primary residence (1) (2)	317.756	318.482	320.054	3.7	0.7	0.5	
Fuels and utilities	297.508	291.090	290.880	-4.0	-2.2	-0.1	
Household energy	265.167	256.173	256.045	-6.3	-3.4	0.0	
Energy services (1)	264.044	254.962	254.881	-6.3	-3.5	0.0	
Electricity (1)	300.925	300.925	296.080	-6.0	-1.6	-1.6	
Utility (piped) gas service (1)	222.585	196.124	204.688	-7.2	-8.0	4.4	
Household furnishings and operations	115.363	114.359	115.587	0.4	0.2	1.1	
Apparel	113.500	110.747	106.662	-0.3	-6.0	-3.7	
Transportation	194.011	192.619	191.681	0.9	-1.2	-0.5	
Private transportation	188.820	186.873	186.458	1.0	-1.3	-0.2	
Motor fuel	228.651	219.830	218.367	-0.5	-4.5	-0.7	
Gasoline (all types)	223.802	215.129	213,709	-0.4	-4.5	-0.7	
Gasoline, unleaded regular (3)	224.227	215,431	214.090	-0.3	-4.5	-0.6	
Gasoline, unleaded midgrade (3) (4)	214.672	206.756	204.578	-1.0	-4.7	-1.1	
Gasoline, unleaded premium (3)	213.374	205.609	204.270	-0.1	-4.3	-0.7	
Medical care	433.038	443.047	443.162	4.4	2.3	0.0	
Recreation (5)	106.169	106.536	106.622	4.3	0.4	0.1	
Education and communication (5)	147,283	147.079	146.643	0.4	-0.4	-0.3	
Other goods and services	391.837	391.758	390.022	2.0	-0.5	-0.4	
Commodity and service group							
All items	245.812	245.711	245.357	2.0	-0.2	-0.1	
Commodities	175.708	174.412	173.172	0.0	-1.4	-0.7	
Commodities less food & beverages	136.021	134.043	133.158	-0.4	-2.1	-0.7	
Nondurables less food & beverages	176.352	173.450	171.621	-0.4	-2.7	-1.1	
Durables	96.558	95.469	95,479	-0.5	-1.1	0.0	
Services	307.972	309.048	309.571	3.2	0.5	0.2	
Special aggregate indexes							
All items less medical care	237.547	237.112	236.745	1.9	-0.3	-0.2	
All items less shelter	219.771	219.247	218.173	0.9	-0.7	-0.5	
Commodities less food	140.190	138.314	137.462	-0.3	-1.9	-0.6	
Nondurables	214.695	213.329	211.415	0.1	-1.5	-0.9	
Nondurables less food	181.667	179.029	177.323	-0.2	-2.4	-1.0	
Services less rent of shelter (2)	320.088	321.475	320.856	2.2	0.2	-0.2	
Services less medical care services	296.875	297.471	297.997	3.0	0.4	0.2	
Energy	243.522	234.598	233.640	-3.0	-4.1	-0.4	

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted) - Continued

	Indexes				Percent change from-			
Item and Group	Oct.	Nov.	Dec.	Dec.	Oct.	Nov.		
	2015	2015	2015	2014	2015	2015		
All items less energy	247.878	248.417	248.104	2.4	0.1	-0.1		
	247.539	248.120	248.140	2.8	0.2	0.0		

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means

NOTE: Index applies to a month as a whole, not to any specific date.

<sup>(2)</sup> Index is on a December 1982=100 base.

<sup>(3)</sup> Special index based on a substantially smaller sample.
(4) Indexes on a December 1993=100 base.

<sup>(5)</sup> Indexes on a December 1997=100 base.

<sup>-</sup> Data not available